

AGREEMENT

BETWEEN

SPACE GATEWAY SUPPORT

AND

**LOCAL UNION 2088
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS**

**KENNEDY SPACE CENTER
CAPE CANAVERAL AIR FORCE STATION
PATRICK AIR FORCE BASE**

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PREAMBLE

This Agreement entered into this 16th day of April 2006 by and between Space Gateway Support, Inc. and its signatory subcontractors (SGS or Company) and the five unions listed below (the Union(s)) which currently represent SGS employees on the NASA/USAF JBOSC contract at the Kennedy Space Center, Cape Canaveral Air Force Station and Patrick Air Force Base and other related Florida locations. The participating unions are the Transport Workers Union of America and its Local 525; the Teamsters Local Union 769; the International Brotherhood of Electrical Workers Local No. 2088; and the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States and Canada, AFL-CIO, Local 780.

ARTICLE 1 - PURPOSE

- 1.1 The JBOSC contract marks a significant change in the manner by which the government agencies responsible for the operations of the Kennedy Space Center and the 45th Space Wing, have chosen to procure support services. By electing to proceed in a combined procurement, the government has amalgamated numerous previously separate support contracts and collective bargaining units into coverage by a single contract. The principle objective of the JBOSC contract is the standardization of job rules and work practices.
- 1.2 The parties acknowledge that these special considerations and their importance to the national space program, its contractors and the employees engaged in its support activities compel a reexamination of traditional labor relations issues at this site. It is in recognition of these contractual and program developments that the parties enter into this Site Stabilization Agreement in which they agree to unify common working conditions, to maintain a spirit of labor management cooperation and stability, to explore improved work methods and procedures, and agree further to establish effective, prompt and binding methods for the settlement of all misunderstandings, disputes or grievances which may arise. The Unions and SGS agree to administer the provisions of this Agreement in good faith.
- 1.3 This agreement and each respective Schedule Agreement shall constitute the sole agreement between the parties. Prior agreements or past practices may affect the interpretation of this agreement but will not otherwise bind the parties unless otherwise agreed. The parties acknowledge that during the negotiations which resulted in this agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the areas of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of those rights and opportunities are set forth in this agreement and the applicable schedule agreements.

ARTICLE 2 - LABOR MANAGEMENT COUNCIL

- 2.1** In recognition of the Union's and Management's mutual interest in the successful performance of the JBOSC contract work, the parties agree to establish a Labor Management Council consisting of up to two (2) representatives from SGS, one (1) from each subcontractor, and up to two persons designated by each signatory union, to discuss the consolidation of the JBOSC work efforts into an integrated operation, that provides flexibility and accountability both for Management and the workforce and to explore innovative approaches to the performance of work in the interests of efficiency and job security. The number of participants can be increased or decreased by mutual agreement. This committee shall meet at least semi-annually unless a special meeting is requested by the Union(s) or SGS at more frequent intervals.
- 2.2** Time spent by bargaining unit employees in Council meetings or on Council assignments shall be treated as time worked.

ARTICLE 3 - EFFECT OF OTHER AGREEMENTS

The provisions of this Agreement and its Schedule Agreements shall apply to all employees represented by the Unions who are engaged on the JBOSC contract, notwithstanding provisions of other local or national union agreements which may conflict or differ with the terms of this Agreement. Where a subject covered by the provisions of this Agreement conflicts with a specific Union Schedule Agreement, the provisions of this agreement shall prevail. SGS agrees that this Site Stabilization Agreement will be proposed to any collective bargaining representative who is hereinafter recognized or certified as the bargaining representative of JBOSC employees. Each Union will be free to negotiate a new or revised Schedule Agreement applicable to the new unit for which it is recognized or certified.

ARTICLE 4 - RECOGNITION AND SCOPE

- 4.1** This Agreement shall apply to work performed by SGS or any of its signatory subcontractors on the JBOSC contract at the Kennedy Space Center (KSC), Cape Canaveral Air Force Station (CCAFS), Patrick Air Force Base (PAFB) or other Florida locations.
- 4.2** SGS recognizes the respective Local and International Unions as the sole collective bargaining agent for those units of employees now engaged on the JBOSC contract who were previously represented when employed by those contractors who were the immediate predecessors to SGS at the time of transition. The scope of recognition and the configuration of the bargaining unions is more fully described in the applicable Schedule Agreements. At transition, SGS extended recognition to each of the predecessor unions and, through the operation of that recognition, will continue in effect the preexisting scope of the bargaining unit.
- 4.3** Additional or new work awarded to SGS under the JBOSC contract or by the acquisition of new work at KSC, CCAFS, PAFB, and other Florida locations which involves the performance of tasks the same or similar to existing bargaining unit employees, shall be included in the functional unit for which the unions are recognized subject to the terms of this agreement, unless required otherwise by the NLRA.
- 4.4** Any employee hired or transferred into a defined unit to replace a departing employee will become a part of the same unit as the employee replaced. Employees who move from unit to unit within JBOSC shall carry accumulated seniority to any new assignment on JBOSC.
- 4.5** In the event of workforce reductions, SGS and its subcontractors agree to make every effort to retain each union's relative percentage of the represented workforce, consistent with historical bargaining unit lines.
- 4.6** Supervisors will not perform the duties of employees in the bargaining unit other than in emergency situations or for the purpose of instructing employees. Such assistance shall not deprive a bargaining unit employee from earning overtime.
- 4.7** SGS and the Unions agree to maintain the status quo regarding work performed by bargaining unit employees covered by this agreement. SGS agrees not to assign work currently being performed by one unit of represented personnel to another bargaining unit. Non-represented employees will not be assigned to displace employees in any bargaining unit covered by this Agreement or Schedule Agreement.

- 4.8 When work is performed on site pursuant to the terms of a warranty or lease, vendor/lessor mechanics may supervise and perform actual work on the equipment, machinery or materials under lease or warranty and may be assisted by bargaining unit personnel. This clause is not intended to eliminate or reduce any bargaining unit under this contract.
- 4.9 4.9.1 The unions acknowledge SGS's need for flexibility in the assignment of work to successfully perform its responsibilities under the JBOSC contract and to improve its status in competing for non-JBOSC work.
- 4.9.2 SGS and its subcontractors commit to the assignment of routine work consistent with traditional bargaining unit lines (KSC, CCAFS and PAFB), without crossing historical craft lines.
- 4.9.3 SGS and its subcontractors agree that in scheduling routine Type I or II work orders, such work will be assigned to employees within historical unit boundaries provided that if such employees are fully occupied, such work may be covered by other bargaining unit employees within the same classification for a period not to exceed five (5) workdays. The five day work limit may be extended by mutual agreement between SGS and the affected union(s).
- 4.9.4 SGS and its subcontractors agree that any assignment of work across bargaining unit lines shall not be for the purpose of causing layoff or depriving represented employees of recall or an overtime work opportunity. Except for the multi-union teams described below, cross assignments shall not extend for more than five (5) days into any unit where employees of the same classification are on layoff.
- 4.9.5 SGS and its subcontractors agree that mixed bargaining unit work crews will be the exception and used only where necessary for efficient completion of JBOSC requirements. This does not bar the creation of specific multi-union teams for limited and clearly defined circumstances, such as the Rapid Response Team and the Type III Work Crew. Employees on mixed union work assignments will work as a team within their existing classifications. The union representatives affected will be notified in writing sufficiently in advance of any mixed team proposal to allow meaningful negotiation over any additional such teams or whenever the size or mission of established teams is materially modified. If no agreement is achieved in negotiations, SGS may implement its final proposal subject to the union's right to appeal the implementation to final, expedited arbitration.

ARTICLE 5 - MANAGEMENT'S RIGHTS

- 5.1 The unions recognize that it is the right and responsibility of SGS to maintain discipline and efficiency and agree that management shall have the freedom of action necessary to discharge its responsibility for the successful execution of the JBOSC contract. Except as expressly limited by other provisions of this Agreement or the applicable Schedule Agreements, SGS retains the right to direct the working force, including the hiring, promotion, transfer, discipline or discharge of its employees; the assignment and scheduling of work, the requirement of overtime work and the determination of when it shall be worked; the right to promulgate reasonable rules and regulations and to amend or modify such rules from time to time with prior notice to the union; and the right to direct the workforce and execute the requirements of the JBOSC contract in a safe and effective manner.
- 5.2 The foregoing enumeration of Management's Rights shall not be deemed to exclude other rights of management, not specifically set forth, provided that no supplementary right of management may abridge any specific term of this agreement. In addition, the foregoing enumeration of Management's Rights and functions is without prejudice to the union's duty and responsibility for the representation of employees covered by this agreement and its rights, in accordance with the law and the terms of this agreement, to process grievances, disputes or differences as to the interpretation or application of any provisions of this agreement.
- 5.3 The parties recognize that the use of new technology, equipment, machinery, tools, process assignment practices or labor saving devices and methods of performing work may be initiated by SGS from time-to-time on the JBOSC contract. Such technology, and training in the use of such tools, devices or methods shall be provided by SGS at no cost to the employee. Appropriate bargaining unit employees will continue to perform such work provided they are or become qualified and unless the technical alterations change the nature of the work in a way that removes it from the scope of the bargaining unit. SGS will notify the affected union of any such change and will be prepared to discuss the impact on the respective bargaining unit prior to implementation. Such initiatives will be implemented only for valid business purposes and shall not be a subterfuge for reducing bargaining unit work. The union agrees that it will not impede the implementation of legitimate new devices or work methods. If there is any disagreement between the Unions and SGS concerning the legitimacy of implementation of such devices or methods of work, the implementation will proceed as directed by SGS and the union shall have the right to arbitrate the dispute as set forth in Article 9 herein.

5.4 Shop Consolidation - SGS and its subcontractors plan for shop consolidation includes, by mutual agreement, with the unions:

- Creation of Primary and Satellite Shops
- Most primary shops will be located on KSC side
- Current personnel may report to the Primary shop without regard to union status. Where there are complementary shops, employees will be assigned to report to either the Primary or Satellite location consistent with traditional unit boundaries and will be assigned to work orders within their traditional union areas, except as set forth in this Agreement. Shop employees, assigned to work regularly in the Primary shop, will retain their current union representation. Notwithstanding Recognition, paragraph 3, shop personnel hired for such assignments in the future will be included in the bargaining unit with jurisdiction over the shop.
- Personnel assigned to the Satellite location may be required, from time to time, to do shop work at the Primary location, in order to access required tools and equipment.
- Whenever a permanent vacancy occurs in the Primary shop, any "grandfathered" cross assigned employee shall be offered the right to claim the position, in the same classification, and convert union representation to the traditional bargaining representative. Such conversions shall be made with accumulated seniority.
- Whenever a permanent vacancy occurs in a Satellite shop, any "grandfathered" employee, working in that classification on cross assignment to the Primary shop, shall be transferred back to the vacancy in the traditional bargaining shop.
- Selection of qualified employees for transfer or assignment from the Primary Shop to the Satellite Shop, and vice versa, shall be to qualified volunteers in order of seniority except that if there are insufficient volunteers, the assignment shall be made in inverse order of seniority.
- For issues relating to Overtime Distribution or vacation schedule, the Rules of the Shop of the traditional union shall apply. Cross assigned employees shall be accorded bargaining unit seniority for such purposes.

ARTICLE 6 - UNION SECURITY AND CHECKOFF

- 6.1** SGS agrees to continue in effect the union security, checkoff and Union business provisions in place with the respective predecessor contractors, as set forth in the applicable Schedule Agreements. The union security provisions may vary based on sites of employment (KSC, CCAFS or PAFB). SGS will respect and enforce the respective agreements for union security and dues checkoff only to the extent allowed by law.
- 6.2** SGS agrees to provide dues deductions for political action committees and other legitimate purposes to the extent allowed by law and as prescribed in the attached Schedules.
- 6.3** In the event federal or state law is changed to permit more expansive union security arrangements than currently authorized, SGS agrees to meet promptly with the union(s) to negotiate modifications in the existing union security arrangements.

ARTICLE 7 - NO STRIKE OR LOCKOUT

- 7.1** The union hereby agrees that during the term of this agreement, whether an unfair labor practice is alleged or not, there will be no strike, sympathy strike, slow down, walk out or any other interruption or stoppage of work on the JBOSC contract against SGS or any signatory subcontractor, including a failure to report for work over another union's picket line. This prohibition does not extend to informational activity away from the worksite.
- 7.2** The Union also agrees that it will not directly or indirectly authorize, encourage, support or otherwise approve employee refusal to report to the location of normal work assignment and to commence regular work as scheduled, where no rare or unusual physical hazard is involved in proceeding to such location or performing such work. The Union commits that the officers and agents of the union will take immediate, good faith, and reasonable action to either prevent the occurrence or the continuation of impermissible conduct or activities set forth in this article.
- 7.3** SGS agrees that there will be no lockout of employees covered by this Agreement. Nothing in this clause shall prevent SGS from implementing a layoff of employees or any other reduction in the workforce for valid business reasons.

ARTICLE 8 – NONDISCRIMINATION

- 8.1** To the same extent dictated by applicable laws, SGS and the unions agree that there shall be no discrimination by SGS or the unions, either separately or collectively, against any employee or prospective employee because of sex, race, color, national origin, religion, age, disability, veteran status or because of union activity, membership, non-membership or refraining from engaging in union activity. Whenever the male gender is used in this agreement as a frame of reference, it shall mean either male or female without distinction.
- 8.2** SGS and the unions acknowledge the reasonable accommodation obligations of the Americans With Disabilities Act and the protected status of qualified applicants and employees with mental or physical disabilities. Nothing in this Agreement shall expand upon either party's statutory obligation nor shall be construed as intending to foreclose reasonable accommodation to qualified persons with a statutory disability, provided that SGS must give the union advance notice of any accommodation inconsistent with the terms of this Agreement and bargain with the union in such cases to ensure that the proposed accommodation is required by law and does not unreasonably usurp the seniority rights of other employees covered by this agreement.
- 8.3** Any employee, or the union may file a grievance under Article 8 alleging discriminatory application of this agreement. Such grievances are encouraged and may be processed through Step 3 of the grievance procedure. Any grievance not resolved at Step 3 may be submitted by the Union to final and binding arbitration as specified in Article 9.
- 8.4** Any aggrieved employee who alleges discrimination in violation of any federal or state statute or regulation may opt at his sole discretion to pursue arbitration provided that the employee acknowledges in writing on a form prescribed by SGS, that the decision of the arbitrator shall be final and binding with respect to the claim of the employee and the defenses of SGS, that the employee voluntarily waives litigation of such discrimination complaint in any other forum and that the employee holds the union harmless from any claims associated with the employee's decision to proceed independently. Unless the union is a party to the arbitration, the arbitrator's award shall not constitute a precedential interpretation of the collective bargaining agreement. In cases where the employee proceeds to arbitration individually, SGS will be responsible for the full cost of the arbitration proceeding, including the fees of the arbitrator. In such cases, both parties shall bear their own attorney's fees.

ARTICLE 9 - GRIEVANCE PROCEDURE

- 9.1** The union and any SGS employee covered by this Agreement shall have the right to present to SGS, and SGS to the union, complaints or grievances pertaining to any matter involving interpretation or application of this agreement. Employees shall have the right to present complaints and grievances to the immediate supervisor/manager either personally or through the designated union steward. Where employees choose to file a grievance personally, the Union will be notified and will have the opportunity, at its sole discretion, to attend each of the three meetings called for the purpose of discussing and adjusting the grievance. Any such adjustment must be consistent with the terms of this Agreement. The parties commit to a good faith effort to resolve complaints informally before invocation of the grievance procedure.
- 9.2** All grievances shall be presented as soon as practicable after the occurrence of the event on which it is based, but in no event later than ten (10) working days if it is a dismissal grievance, or if the grievance arises from any other cause, no later than twenty (20) working days from the date the union knew or reasonably should have known of the events giving rise to the grievance. The Arbitrator may consider the timeliness of non-termination grievances filed after the twentieth day and before the forty-fifth day and may continue the matter where there is a justifiable excuse for the untimeliness. The failure to submit a grievance within a period of forty-five (45) days shall constitute an absolute bar to further action.
- 9.3** Time limits for grievances at any step, or for any response, may be extended by mutual agreement between the union and SGS. If it is determined under the grievance procedure, including arbitration, that any adjustment in wages is appropriate, such adjustment shall be based upon existing wage rates and shall be applied retroactively to the date of the occurrence, at the discretion of the arbitrator, provided that such date is not more than twenty (20) working days prior to the date upon which the grievance was presented.
- 9.4** Grievances shall be processed as follows:
The union steward, or designee, shall reduce the grievance to writing on a form developed mutually by SGS and the unions and submit it to the appropriate supervisor/manager. A copy must be forwarded to SGS Labor Relations. The written grievance must specify (1) the facts upon which the grievance is based; (2) the section or sections of the agreement claimed to have been violated; and (3) the resolution requested.

Step 1: BETWEEN THE SUPERVISOR AND THE STEWARD. The first step meeting shall be held within ten (10) workdays from the date the grievance is filed with SGS. The supervisor shall give the steward his written reply to the grievance within five (5) workdays after the meeting. If the reply is unsatisfactory, the steward, or designee, may appeal the decision to Step 2, provided such appeal is made in writing within ten (10) work days after receipt of supervisor's reply. Any final resolution reached with respect to any grievance at Step 1 shall only apply to that grievance and shall not become a precedent binding on other grievances in the future.

Step 2: BETWEEN THE NEXT LEVEL OF SUPERVISION/MANAGEMENT AND THE DESIGNATED UNION REPRESENTATIVE. A Step 2 meeting shall be held within ten (10) work days after the union files the written notice of appeal. The written decision at Step 2 shall be presented to the union within ten (10) work days after the meeting. If this reply is unsatisfactory, the grievance may be appealed to Step 3, provided such appeal is made in writing within five (5) work days following receipt of the second step reply.

Step 3: BETWEEN THE EMPLOYER'S SENIOR SITE MANAGER, OR IN THE ABSENCE OF A THIRD MANAGEMENT LEVEL, THE SGS LABOR RELATIONS MANAGER OR THEIR DESIGNEE(S) AND THE UNION'S BUSINESS REPRESENTATIVE OR DESIGNEE. A meeting at Step 3 shall be held within fifteen (15) work days after receipt by the company of the written notice of appeal. The Management Representative shall make a reply in writing not later than ten (10) work days after meeting with union's business representative or his designee. The Step 3 decision shall be final and binding on all parties concerned unless the union informs the company in writing within thirty (30) calendar days from the date of such final company decision, that it desires to submit the matter to arbitration.

- 9.5** In certain circumstances, the union may wish to file a grievance against the SGS and SGS may wish to file against the union. In either case, the process shall begin at Step 3 and may be initiated only by the Labor Relations Manager or his subcontractor counterpart or the Union Business Representative or their designees. Such grievances shall be limited to issues dealing with the unit-wide interpretation or application of the agreement or to a class-wide complaint. Such grievances shall be submitted in writing and shall contain the elements set forth for individual grievances in Section 8.5.

ARTICLE 10 – ARBITRATION

- 10.1** Any grievance which has not been finally settled or disposed of in accordance with the steps for the grievance procedure may be submitted to arbitration by filing a timely demand with the SGS Labor Relations manager. The parties will confer promptly upon receipt of the demand to commence the process.
- 10.2** The parties shall promptly endeavor to select an arbitrator by mutual agreement within fifteen (15) working days of commencement. If they are unsuccessful within the time allotted, either party may request that the Federal Mediation Conciliation Service (FMCS) provide a panel of nine (9) arbitrators from which the designated arbitrator shall be chosen either by mutual agreement or, failing that, by the alternate strike method. Each party shall bear its own costs in the arbitrator selection process. Selection must be made within fifteen (15) working days following receipt of the FMCS list by the parties.
- 10.3** Arbitration proceedings shall be conducted pursuant to the Rules and Regulations of the Federal Mediation Conciliation Service. The arbitrator may consider only the particular issue or issues presented to him in writing by the union and SGS. The authority of the arbitrator is strictly limited to the interpretation or application of the existing terms of this agreement and any appended Union Schedule Agreement. All other matters are expressly excluded from arbitration unless mutually presented to the arbitrator. The submission to the arbitrator shall be limited to one grievance unless otherwise agreed by SGS and the union. The arbitrator shall have no power to add to, subtract from or modify any of the terms of this Agreement or applicable Schedule Agreement. Except for resolving disputes pertaining to wage rates for new classifications, as set forth in the Schedule Agreements, the arbitrator shall have no power to establish wage rates, job classifications, fringe benefits of any kind or any other economic or working conditions.
- 10.4** The decision of the arbitrator shall be rendered in writing and the arbitrator shall endeavor to render the decision within thirty (30) days after the conclusion of the hearing and the party's submission of the record. The decision of the arbitrator, when so made, shall be final and binding on all parties provided it complies with the terms of federal and state law.
- 10.5** The cost and expenses of the arbitrator shall be born equally by the parties. The union assumes the responsibility for paying employees who are called by the Union or an employee to participate in an arbitration hearing for the time spent testifying or awaiting testimony. Time spent by the grievant in other than termination cases, or time spent participating in the arbitration hearing awaiting testimony at the request of the Company, shall be treated as time worked.

- 10.6** As specified in Article 4.9.5, any union which does not agree to a proposed teaming arrangement is entitled to seek final, expedited arbitration after implementation by management. The Arbitrator shall be governed by the following factors in determining whether to uphold or reverse management's implementation:
- 10.7**
- The duration, scope and nature of the Teaming assignment.
 - Is there a valid, non-discriminatory business reason for the proposed Teaming arrangement?
 - Is the Teaming arrangement a subterfuge for undermining historical bargaining unit alignments?
 - Does the Teaming arrangement create a material advantage or disadvantage for any affected union?
 - Is the arrangement consistent with the terms of this Agreement?

ARTICLE 11 - DISCIPLINE AND DISCHARGE

- 11.1** The parties agree that the company has the right to discipline or discharge an employee, for just cause. Any employee who has been terminated or suspended shall have the right to expedite the filing of a grievance as set forth in Section 9.2 of the grievance procedure. Except as otherwise provided in this agreement, all other employee grievances shall be processed consistent with the contractual grievance procedure.
- 11.2** The union shall be notified of all grievance meetings to be held with respect to employee discipline and shall have the right to participate in any such hearing. It is understood that an employee subjected to disciplinary action will be entitled, upon his request, to representation by a designated union representative.
- 11.3** An employee subjected to lost time discipline (suspension or termination) shall be furnished with a statement in writing setting forth the conduct or circumstances upon which such action is based.
- 11.4** The provisions of this Article do not apply to any employee still in the probationary period.
- 11.5** All letters regarding an employee's personal credit and/or discipline (warning or suspension) will cease to have effect, for progressive disciplinary purposes, after a period of one (1) year from date of issuance, provided that there has been no related repetition of such conduct or circumstances during the applicable one (1) year period except records relating to vehicular accidents in government vehicles or equipment or in a work status shall have an effective period of two (2) years.

ARTICLE 12 - SAFETY AND HEALTH

- 12.1** The company recognizes its responsibility to provide a safe and healthful working environment for employees. The union also recognizes its responsibility to cooperate with the company in maintaining and improving a safe and healthful working environment. The parties agree to use their best efforts to achieve these objectives. Both parties agree that reasonable safety rules of SGS, which are not inconsistent with Federal or state law, shall be complied with by all employees.
- 12.2** SGS will furnish proper and modern mandatory safety and sanitary devices for all employees. In areas where SGS determines that safety shoes are required, SGS will provide or pay the cost of safety shoes as specified in the applicable Schedule Agreement. It shall be mandatory for all employees to use such safety devices and/or safety shoes that are designated by SGS as necessary. SGS will provide or pay the cost of safety shoes up to a maximum of one-hundred fifty dollars (\$150.00) and up to two-hundred twenty five dollars (\$225.00) for prescription safety glasses each calendar year. Safety shoes must comply with the provisions of ANSI Z41.1. Safety glasses must comply with provisions of ANSI Z87.1 and must have side shield protection. Any amount in excess of one-hundred fifty dollars (\$150.00) for safety shoes and two-hundred twenty five dollars (\$225.00) for prescription safety glasses shall be the responsibility of the employee.
- 12.3** Employees taken ill or injured on the job will be assisted to receive appropriate medical attention. If such medical attention is rendered during regular working hours, the time spent during that work day shall be treated as time worked.
- 12.4** In accordance with the Drug-Free Workplace Act of 1988 and other federal regulations, SGS and the union agree to exercise their best efforts to provide a workplace that is free from the illegal use, possession or distribution of drugs or other controlled substances or the misuse of prescription drugs and that is free from the influence of alcohol. The unions agree to implementation of the SGS Drug Policy Revision / October 1, 1998. Any substantive amendment to the policy is subject to sixty (60) days advance notice and negotiation with the union, unless otherwise required for compliance with federal or state law or regulation. In the event the parties cannot agree to a proposed amendment, the employer may implement its last proposal pending the union's right to pursue arbitration. Any required drug test must be conducted by laboratories certified by the United States Department of Health and Human Services for such purposes and pursuant to the procedures of the Mandatory Guidelines for Federal Workplace Testing, as amended, set forth in the Code of Federal Regulations. Any alcohol testing will be conducted in accordance with U.S. Department of Transportation Regulations.

ARTICLE 13 - GOVERNMENT SECURITY

- 13.1** The union acknowledges that SGS has certain security obligations in its contracts with NASA and the Department of Defense and that industrial and governmental security is vital to the JBOSC program. The union agrees that in the event that representatives of the appropriate governmental agency concerned with security, advise or have advised SGS, in writing, that any employee in the bargaining unit covered by this agreement is denied work on or access to classified information, material, restricted areas or an employment related clearance, that such employee shall be immediately removed from that position. The employer shall endeavor to locate an alternative position consistent with the security restriction, provided that if no such position is available, the employee may be released for just cause.
- 13.1.1** For purposes of this Section, employees who are permitted access with an authorized escort, shall not be removed provided there are personnel available to serve as escort without additional time requirements and within the scope of the employee's regular job duties.
- 13.2** It is understood that there shall be no liability, financial or otherwise, on the part of SGS for any suspension, change in status, or transfer growing out of a denial of work on or access to classified information, material or restricted areas for any unallowable expenses incurred by SGS as a result of SGS compliance with Government Security directives. Lost work time because of a denial or withdrawal of security clearance by the appropriate governmental agency shall not be subject to the grievance and arbitration procedures, except for issues pertaining to the Company's receipt of documentation from the Government or the Company's efforts to locate alternate employment.
- 13.2.1** Nothing in this Agreement shall preclude the employee from pursuing any legal remedy he may have against any agency, organization, or person outside the Company by virtue of any suspension, termination, or change in status under this Article.
- 13.3** SGS agrees that if the employee's security clearance is reinstated within one (1) year of withdrawal, the employee will be restored to his former position consistent with principles of seniority. Any such reinstated employee shall accrue unbroken seniority.

- 13.4** SGS, representatives of the union having access to the premises, and all employees are required to comply with the applicable government security regulations on the JBOSC contract. SGS and the union agree that security information will be revealed only to persons properly cleared and required to have the information by the government. If an employee has not been granted necessary security clearances in all work areas required to perform the employee's job duties within one (1) year from the date of employment, or the date of request, the employee may be released for just cause.
- 13.5** Any Security rules, regulations or directives imposed on SGS by the United States Government, which apply to the JBOSC contract activities, shall be provided to the union and apply with equal force and effect to the employees covered by this agreement.

ARTICLE 14 - MISCELLANEOUS PROVISIONS

- 14.1** The company will provide bulletin boards for the use of the union at mutually agreed locations. Their use will be restricted to the following:
- Notices of union recreational and social affairs.
 - Notices of union elections and their results.
 - Notices of union meeting.
 - Notices regarding union business signed by the President or principal officer.
 - Any other information which is mutually agreed to by the Labor Relations Manager or his designee and the union representative.
- 14.2** Any inventions or other intellectual property developed during the course of an employee's duties on the JBOSC contract or otherwise relating to work performed on JBOSC shall be owned by SGS or the appropriate governmental agency.
- 14.3** The union agrees to report to SGS when it has knowledge of any threats or acts of sabotage or damage to, or the unauthorized or unlawful taking of, SGS government or other employee property. The union further agrees, if such acts occur, to use its best efforts in assisting to identify the person or persons responsible and to cooperate with the SGS or government investigation.
- 14.4** Lead Employees: It is agreed that SGS may use lead employees in those shops and locations and for such time periods as SGS deems appropriate and necessary. When such a position is used, it will be covered under this agreement. Lead positions must be filled by qualified employees and for that reason may not necessarily be filled in seniority order. Lead vacancies will be filled consistent with each union's Schedule Agreement and are considered a category of classification rather than a separate classification. A lead is a bargaining unit employee who is charged with the responsibility of leading, directing and/or approving the work of other employees. The Lead is not a statutory supervisor. Whenever SGS appoints a lead, he/she will receive a premium as specified in the applicable Schedule Agreement. Lead assignments may be temporary or indefinite.
- 14.5** Limited Duty: SGS shall have no obligation to provide limited duty assignments to employees with a statutory disability or for other purposes but wherever practicable, SGS will endeavor to provide such limited duty assignments, as available and appropriate. Such assignments must be within the scope of the employee's job qualifications and medical limitations. The pay rates for employees on limited duty assignment in other than contractual classifications will be commensurate with the tasks performed and responsibility involved and will be negotiated with the applicable union.

Employees on limited duty will receive full benefits while on active pay status but will earn vacation and sick leave credits only if they work at least fifty percent (50%) of any payroll period. Limited duty employees will not be eligible for overtime.

- 14.6** All employees shall have access to and the right to inspect his/her personnel record in the presence of a company representative during normal business hours. An employee will not be entitled to remove or photocopy any portion of the personnel file, except for the employee's own application and résumé.

ARTICLE 15 - WORKWEEK, HOURS OF WORK, WORK SHIFTS

- 15.1** SGS agrees that consistent with meeting the requirements of the JBOSC contract, every reasonable effort will be made to arrange work schedules so that a maximum number of employees will be assigned to shifts Monday through Friday. Each employee shall have two (2) consecutive scheduled days off in each workweek. Where employees are required to maintain continuous operations or assignments, days off may be adjusted consistent with the requirements of the JBOSC contract.
- 15.2** Normal Workweek: The normal workweek for employees covered by this Agreement shall consist of not less than forty (40) hours in five (5) consecutive days. Each work day shall consist of eight (8) consecutive hours, exclusive of meal times. Once an employee's workweek is established, it will remain fixed but may be changed for valid business reasons with a minimum of five (5) days prior notice.
- 15.3** Absent mutual agreement, workweeks will not be scheduled back to back to require more than five (5) consecutive days of work. Nor shall employees be required to suspend work during regularly scheduled hours to avoid overtime.
- 15.4** Payroll Workweek: The payroll workweek for all employees shall begin at 12:00 midnight Friday and end at 12:00 midnight the following Friday (i.e., seven (7) consecutive calendar days, Saturday through Friday, inclusive).
- 15.5** Regular Shifts: Each employee shall be assigned to a shift with designated times of beginning and ending. The designated time for beginning each shift shall be a period of time within the following schedule:
- First shift shall commence between 6:00 a.m. and 9:00 a.m.
 - Second shift shall commence between 2:00 p.m. and 5:00 p.m.
 - Third shift shall commence between 10:30 p.m. and 1:30 a.m. the following day.
- 15.6** Rest periods will be designated by the Company before and after the scheduled meal period on each shift in accordance with the applicable Schedule Agreements.
- 15.7** Any employee assigned to work on a non regular workweek (other than Monday through Friday) shall earn a premium as specified in the applicable Schedule Agreement. In scheduling a non regular workweek, the Company will first attempt to meet its non regular workweek assignments on a voluntary basis among the employees regularly performing the work. The most senior qualified volunteer will be given preference from among the volunteers. In the event there are insufficient volunteers to meet the requirement, the supervisor may designate and require the necessary number of employees to work the non regular workweek in inverse order of seniority, among the qualified workforce.

15.7.1 The maximum number of employees assigned to a non-regular workweek shall not exceed fifteen percent (15%) of the respective bargaining unit, without union agreement. If additional employees are needed to meet operational requirements, then the Company shall inform the union and the parties will meet promptly to discuss the reasons for increasing the percentage. The Union agrees that such approval will not be unreasonably withheld.

15.8 Meal Periods: Employees shall be entitled to a meal period during which they shall be relieved of their duties. No employee shall be required to work more than six (6) hours without being given a meal period of not more than one (1) hour, such meal period to be given after the third hour and to be completed by the sixth hour. In the event an employee is not relieved of his duties for a meal period during the normal work day in accordance with the foregoing, he shall be compensated for such time and shall not be sent home prior to having worked eight (8) hours, plus the time normally allotted for his meal period. Meal periods will not be scheduled on second or third shifts or on scheduled days off except when requested by the employee and approved by supervision or unless scheduled by the Company.

15.8.1 Employee(s) that work overtime, which extends beyond twelve (12) hours, shall be entitled to a meal period, if requested by the employee and approved by supervision.

15.8.2 Employee(s) may request, with management approval, to take a "no lunch" and work a straight eight (8) hours before being released to go home.

ARTICLE 16 - LEAVES OF ABSENCE

- 16.1 Application for Leaves of Absence:** No application for leave of absence will be considered unless it is applied for in writing on forms provided for that purpose. Whenever practicable, all leaves except Death in the Immediate Family, should be requested one (1) week prior to leave or as soon as the Employee has notice of the need for leave. The request form will specify the type of leave and the dates of start and return from leave, and will be signed by the employee or someone acting on his behalf. The Company's response to the leave application will be provided in writing.
- 16.2** Leaves of absence shall be granted at the discretion of the Company except for those categories of leave mandated in this Agreement or as required by law. The Company reserves the right to investigate and request from the employee, documentary proof of the conditions verifying the basis for the leave.
- 16.2.1 Eligibility for Leave of Absence:** Employees who have completed ninety (90) days of satisfactory service are considered eligible for consideration for leaves of absence as hereinafter defined.
- 16.3 Leave of Absence:** Except as described below, a leave of absence is time off without pay for an amount of time appropriate to the circumstances. The leave may be with or without benefits, depending on the circumstances and applicable law. Employees on leave shall not accrue time off benefits (i.e., vacation, sick leave) while on leave. Any renewal in approved leave must be by mutual written agreement.
- 16.3.1** Any employee on a leave of absence for thirty (30) days or more shall, not later than two (2) weeks prior to his scheduled date of return, confirm to the Manager of Human Resources the date of his intended return to active employment. Any request to change the scheduled date of return or intention to resign should be reported as soon as known. Employees returning from a leave of absence shall be restored to the job last held, provided the employee has seniority to hold that position. Employees who are not able to return to the same position under this paragraph shall be entitled to exercise seniority rights as specified in the applicable Schedule Agreement.
- 16.3.2** Those employees returning from a medical leave of absence will furnish a signed letter from his personal physician attesting to physical fitness for resumption of employment, if requested by Human Resources, and will make arrangements through Human Resources to be examined by the Company physician before returning to work.

16.3.3 Any employee returning from a medical leave of absence who is unable to perform the job last held due to medical limitations may be considered for any available positions that he is qualified to perform or for limited duty as specified in Article 14.5.

16.4 Employees on leaves of absence will be terminated if they have:

16.4.1 Failed to furnish a true statement of the reasons for leave.

16.4.2 Accepted other employment while on leave, without the approval of management.

16.4.3 Failed to return to work at the expiration of leave.

16.5 Types of Leave of Absence

16.5.1 Medical Leave of Absence

Time off, without pay, after exhaustion of short term disability and other available paid leave benefits (exclusive of long term disability benefits) will be provided for documented sickness or injury to the employee or family member which renders an employee unable to perform work. Said period shall not exceed one (1) year but may be extended month by month for up to an additional twelve (12) months, subject to the requirements of the JBOSC contract, provided the employee's unrestricted return to duty is reasonably foreseeable within the period of extension.

16.5.2 Military Leave of Absence

Time off for active duty while in the Armed Forces. The leave of absence form will be made out for the duration, which will agree exactly with the period of enlistment on the military orders, for a maximum of four (4) years, barring involuntary extensions. At the expiration of this leave, the employee is expected to report his status either by returning to work at the expiration of his temporary duty; by returning to work within ninety (90) days of his discharge and submitting proof of satisfactory service; or by requesting an extension of leave of absence due to continuing military obligations of an involuntary nature.

A military leave does not cause a break in service, providing the employee returns to work in accordance with the terms of his leave and the Selective Service Acts.

16.5.3 Military Training Absence

An employee who is a member of a reserve component of the Armed Forces or the National Guard who is required to enter active annual training duty or temporary special services, shall be paid his normal straight-time earnings up to a maximum of ten (10) work days each calendar year. Employees serving on short-term military training duty shall be paid the difference between the total military base pay received and their regular base rate of pay, providing military pay does not exceed regular base pay. Such items as subsistence, rental and travel allowance shall not be included in determining pay received from State or Federal Government. Continuous service credit and seniority will accumulate during such military training absence.

16.5.4 Death in the Immediate Family

An employee shall be granted three (3) days paid leave due to death in the immediate family. Two (2) additional paid days will be granted if the employee is required to travel outside the State of Florida to attend the funeral, memorial service or to assist with bereavement details. The immediate family shall include spouse, mother, father, current step-parents, current mother-in-law or father-in-law, children, current step-children, brother, sister, son-in-law, daughter-in-law, grandparents, spousal grandparents, grandchildren, and (if living in the employee's home) foster children.

16.5.5 Leave of Absence for Union Representatives

Any employee appointed by the President or principal officer of the Union representing the particular unit, or selected for a full-time Union position for a period of time necessary to fill such a position, shall be granted a leave of absence. Continuity of service and full seniority privileges shall be retained and accumulated during such leaves of absence. When a representative's period of service ceases, the Union shall immediately notify the Company in writing and if application is made, within ten (10) days, thereafter, said employee will be given re-employment to his former position, if same still exists, or a comparable position in accordance with seniority privileges, at the wage rate applicable at the time of his return. The number of employees to be granted such leaves of absence shall not exceed two (2) at any one time for any union except by mutual agreement between the Company and the Union.

16.5.6 Temporary Leave of Absence for Union Business

The Company will grant a temporary leave of absence without pay for union business (training, conferences, schools, and conventions). Requests shall be made in advance, shall not be unjustly denied, and shall be for a period of sixty (60) days or less.

16.5.7 Jury Duty

Employees who are called to Jury Duty shall be excused from work for such purposes and will be paid eight (8) hours pay per day at their regular straight time rate.

16.5.8 Personal Leave

Where the Company finds that a personal leave request is justified by undue hardship, unique opportunity, career development, or other compelling circumstances and provided there is no conflict with JBOSC requirements, a personal leave of absence may be granted, at the Company's discretion, for a period not to exceed six (6) months, subject to an additional six (6) month extension. Continuous service credit and seniority shall be fixed effective the first day of leave and shall be recaptured the first day of reinstatement. There shall be no accumulation during the period of personal leave.

ARTICLE 17- SICK LEAVE

- 17.1** Employees on the active payroll and in a pay status on the fifteenth of the month, shall be entitled to a sick leave credit of eight (8) hours credited on the fifteenth day of the month. An employee is in pay status when he performs compensable work or receives paid leave during such pay period. An employee who is receiving Short Term or Long Term Disability benefits and/or workers compensation benefits will not be considered in pay status, for purposes of earning sick leave credit.
- 17.2** New hire employees will accrue sick leave credits during their probationary period, however, they may not use these credits until they have completed ninety (90) days of their probationary period. Employees may carry over a maximum of twelve (12) sick leave days per year and there shall be no other limit on accumulation. Sick leave accumulated under the JBOSC contract will not be paid at the time of termination.
- 17.2.1** Bargaining unit employees who transitioned to JBOSC with accumulated sick leave at the signing of this Agreement may carry over such sick leave. Sick leave credits carried over from pre-JBOSC service will be drawn down after JBOSC earned credits are exhausted.
- 17.3 Use of Sick Leave**
- 17.3.1** An employee may use sick leave credits as soon as they are earned, provided they have completed ninety (90) days of their probationary period.
- 17.3.2** It is the obligation of every employee on the JBOSC contract to prevent abuse of sick leave pay privileges. The parties acknowledge that the company may discipline employees who abuse sick leave privileges.
- 17.3.3** Payment of sick leave shall be at the employee's regular straight time base rate not to exceed a maximum of eight (8) hours pay for any one (1) day.
- 17.3.4** Sick leave shall be granted under the following conditions:
- (a) Illness of the employee.
 - (b) Illness in the immediate family (as defined in Death in the Family).
 - (c) Medical or dental appointments. Employees agree to seek to arrange medical or dental appointments so as to avoid absence from work when reasonable/practical.

- (d) Employees who are eligible to receive short and long term disability payments and who have sick leave credits in their account may be made whole by utilizing a portion of their sick leave credits in conjunction with their short and long term disability payments to equal one-hundred percent (100%) of the normal regularly scheduled rate of pay.

17.4 Report Requirements for Use of Sick Leave: An employee who is absent on a regularly scheduled work day shall be required to follow the procedures set forth:

17.4.1 The employee must notify the immediate supervisor or duty officer within one (1) hour of the scheduled start of the regular shift. Whenever feasible, notice will be provided prior to the shift start so that arrangements can be made to cover the work. The notice must state the reason for the absence and the anticipated date of return to work.

17.4.2 In the event the employee is unable to return to work on the anticipated date, he shall provide notification prior to the scheduled return day and provide a revised estimated return to duty date.

17.5 Certification of Personal Illness: The Union agrees that the Company may investigate illnesses or absences of employees before payment for absences including a request for medical certificate as described below.

17.5.1 An employee requiring the use of more than three (3) consecutive days may be asked to provide to a medical certification of such use. Certification, for such purposes, must be in writing, signed by the physician who has rendered treatment to the employee or member of his immediate family and state the reason for the employee's inability to report for work. Failure to provide a proper certification may disqualify the employee from payment for the absence and/or may result in disciplinary action.

ARTICLE 18 - CHECKOFF

- 18.1** Upon receipt of an employee's written authorization, which shall not be irrevocable for more than one (1) year, or beyond the termination date of this Agreement, whichever occurs sooner (when revocation is not otherwise provided by local law), the Company shall deduct from such employee's wages, in accordance with this Agreement, such employee's initiation fee and union dues and remit same to the duly authorized representative of the Union, together with a list of the names of the employees from whose pay deductions were made. Such a written authorization may be revoked by the employee by written notice to the Company and the Union during the ten (10) day period prior to the end of any such applicable yearly period or during the ten (10) day period prior to the termination date of any applicable collective bargaining agreement, whichever occurs sooner. The employee must also notify the Union Business Representative during one of these same ten (10) day periods by written notice sent via certified or registered mail, return receipt requested. This notice shall be sent to:

Business Manager
IBEW Local 2088
2425 N. Courtenay Pkwy, Suite 3B
Merritt Island, Florida 32931

- 18.2** In the absence of such notice of revocation, the authorization shall be renewed for an additional yearly period, or until the end of the collective bargaining agreement, whichever occurs sooner. Where monies have been deducted from the pay of an employee who does not owe such monies, it shall be the responsibility of such employee to obtain a refund from the local Union.
- 18.3** A properly executed "payroll deduction authorization form" for each employee for whom Union checkoff is required, shall be delivered to the office of the Labor Relations Manager before any deductions are made. Deductions shall be made thereafter only if the authorization forms have been properly executed. Any authorization which is incomplete or in error will not be activated by the Company.
- 18.4** Any employee who loses his seniority or who is transferred into a classification not covered by this Agreement shall cease to be subject to checkoff deductions.
- 18.5** The Union agrees that they shall hold the Company harmless against any and all complaints, claims, judgments, or demands that may arise out of, or in any way be related to, compliance by the Company with the terms of this Section or in reliance by the Company upon any document furnished to the Company by the Union pursuant to the provisions of this Section.

ARTICLE 19 - WAGE RATES

- 19.1 The wage rates for employees covered by this Agreement shall be effective as set forth in Schedule A attached hereto and made a part hereof.
- 19.2 **Lead Pay.** Any employee selected by management to perform a Lead function, shall receive one dollar (\$1.00) per hour in addition to his regular straight-time base rate of pay for all hours worked as Lead. This payment shall become a part of his base rate while so assigned.

An employee temporarily assigned a Lead position, (period less than thirty {30} days) shall not be eligible to receive lead pay for vacation or short-term sick leave.

**ARTICLE 20 - WAGE RATES FOR
NEW OCCUPATIONAL CLASSIFICATIONS**

In the event the Company desires to establish new occupational classifications, and such occupational classifications are included in the bargaining unit, the applicable wage rates shall be determined by negotiation between the Company and the Union. Operations shall not be delayed through failure to immediately agree upon wage rates applicable to any such occupational classification. In such cases, pending the results of negotiations, the Company will establish the new occupational classifications and the Company-proposed wage rate applicable thereto and shall place such occupational classifications and such wage rates into effect. Negotiated rates finally established which are higher than the Company-proposed rates will be paid retroactive to the date of the start of the occupational classification, but in no event prior to thirty (30) days from the date which the Union notifies the Company in writing challenging said wage rates. In the event a new wage rate is not agreed upon between the Parties, the issue may be submitted to Arbitration.

ARTICLE 21
HOURS OF WORK AND OVERTIME

21.1 21.1.1 Shift Differential. Employees who are assigned to work a second or third shift, shall receive one dollar (\$1.00) per hour for all hours worked.

21.1.2 Odd Work Week. Any employee assigned to work a non-regular work week (other than Monday through Friday) shall have seventy-five cents (\$.75) per hour added to his base rate while so assigned.

21.2 Computation of Overtime Payment. Payment for overtime hours worked shall be computed at the following rates:

21.2.1 Time worked within an assigned shift period shall be compensated at working rates.

21.2.2 Time worked outside of his assigned shift period and not in excess of twelve (12) hours shall be paid at time and one-half (1-1/2) the employee's working hourly rate of pay.

21.2.3 For hours worked on the employee's first regularly scheduled day off, time and one-half (1-1/2) the employee's working hourly rate of pay.

21.2.4 Double time shall be paid for all hours worked over twelve (12) in any continuous work period.

21.2.5 Double time shall be paid for all hours worked on the employee's second regularly scheduled day off.

21.3 Turnabout. When an employee is required to report for work without being given at least nine (9) hours off after the completion of his previous work period of not less than nine (9) hours, he shall be paid at the applicable rate for all time worked during the succeeding work period. For the purposes of determining the applicable rate under the foregoing, break time will accumulate although there shall be no payment for such break time.

An employee will not be obligated to work more than twenty-four (24) continuous hours. Whenever an employee works twenty-four (24) continuous hours, he will be given at least an eight (8) hour break before being required to report for his next work period.

- 21.4 Cancellation of Irregular Report Time.** If the Company fails to notify an employee, at least eight (8) hours in advance of cancellation of a reporting time, other than the start time of his "regular shift", the employee shall be permitted to report for such assignment, unless notice of cancellation is given prior to his departure from his assigned work place during the last work period prior to such assignment.

In the event an employee reports for assignment under the provision of this Section, he shall receive a minimum of four (4) hours pay at the applicable rate; provided however, that any amount paid for hours actually worked shall be credited against such minimum guarantee.

- 21.5 Irregular Work Periods.** When the longest period worked in a "regular work day" is less than eight (8) consecutive hours, the Company will pay an employee, who is available for work, at his straight-time rate for the difference between the number of hours worked in one such period and eight (8) hours. In computing the payment due under this provision for hours not worked, no other Section of this Agreement shall apply. This provision shall not apply to "scheduled days off" nor to holidays.

For purposes of this provision only, hours of work performed before midnight will be considered as performed in the calendar day ending at midnight, and hour of work performed after midnight will be considered as performed in the calendar day starting at midnight. When an employee's regular shift includes midnight, his regular work day for the purpose of this provision, will be the twenty-four (24) hour period beginning with the starting time of his regular shift.

Except as set forth above, this provision shall not be deemed to modify or invalidate any other provision of the collective bargaining agreement.

- 21.6 Call-In Pay.** Whether or not an employee has been previously scheduled to work such days and is called in to work on a holiday or on one of his scheduled days off, or is recalled after completing a day's assignment and has checked out and left his place of employment, he shall receive a minimum of four (4) hours pay at the applicable rate; provided, however, that any amount of hours actually worked shall be credited against such minimum guarantee.
- 21.7 Distribution of Overtime.** The Company will attempt to meet its overtime requirements on a voluntary basis starting in proper sequence among the employees who normally perform the work on a straight-time basis; however, in cases of selective overtime, new hires and rehires may be excluded for the first ninety (90) calendar days of their employment. In the event there are insufficient volunteers to meet the requirement, the supervisor may designate and require the necessary number of employees to work the overtime. A reasonable effort will be made to equalize overtime between employees within a work group, such work groups to be determined by the Company. The Company shall make such overtime records available to the employees and the Union.

ARTICLE 22 - HOLIDAYS

22.1 Designated Holidays. The following holidays shall be observed.

2006

Memorial Day	May 29 (Monday)
Independence Day	July 4 (Tuesday)
Labor Day	September 4 (Monday)
Thanksgiving Day	November 23 (Thursday)
Day Following Thanksgiving	November 24 (Friday)
Christmas Holiday	December 22 (Friday)
Christmas Holiday	December 25 (Monday)
Christmas Holiday	December 26 (Tuesday)
Christmas Holiday	December 27 (Wednesday)
Christmas Holiday	December 28 (Thursday)
Christmas Holiday	December 29 (Friday)

2007

New Years Day	January 1 (Monday)
Memorial Day	May 28 (Monday)
Independence Day	July 4 (Wednesday)
Labor Day	September 3 (Monday)
Thanksgiving Day	November 22 (Thursday)
Day Following Thanksgiving	November 23 (Friday)
Christmas Holiday	December 24 (Monday)
Christmas Holiday	December 25 (Tuesday)
Christmas Holiday	December 26 (Wednesday)
Christmas Holiday	December 27 (Thursday)
Christmas Holiday	December 28 (Friday)
Christmas Holiday	December 31 (Monday)

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2008

New Years Day	January 1 (Tuesday)
Memorial Day	May 26 (Monday)
Independence Day	July 4 (Friday)
Labor Day	September 1 (Monday)
Thanksgiving Day	November 27 (Thursday)
Day Following Thanksgiving	November 28 (Friday)
Christmas Holiday	December 24 (Wednesday)
Christmas Holiday	December 25 (Thursday)
Christmas Holiday	December 26 (Friday)
Christmas Holiday	December 29 (Monday)
Christmas Holiday	December 30 (Tuesday)
Christmas Holiday	December 31 (Wednesday)

2009

New Years Day	January 1 (Thursday)
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22.2 Pay for Designated Holidays. The Company shall pay employees for each of the designated holidays at their regular straight-time base rate for the number of hours, per day, not to exceed eight (8), for which they are regularly scheduled to work during the work week in which the holiday occurs, plus shift differential and odd work week differential, if applicable. In no event will the payment for hours not worked on one of the designated holidays be in excess of eight (8) hours. Employees who work on any one of the designated holidays shall be paid double their working straight-time hourly rate of pay for hours worked, and shall, in addition, receive the holiday pay to which they may be entitled in accordance with the above. For employees to be eligible for holiday pay, they must be on the payroll at least thirty (30) days prior to any holiday, and must have worked either his last scheduled shift preceding the holiday or his first scheduled shift succeeding the holiday, and is not on leave of absence, he shall be eligible for pay. Exception to those requirements:

If the employee can furnish proof satisfactory to the Company that because of illness, vacation, jury duty, witness duty, or military training absence, he was unable to work on either of such shifts, and his absence previous to such holiday by reason of such illness has not been longer than thirty (30) calendar days, such employee remains eligible for such holiday pay.

22.3 Observance of Holidays. If a designated holiday falls on an employee's regularly scheduled day off, the holiday may be observed on the employee's regularly scheduled work day immediately preceding or succeeding the holiday. Determination as to which day is observed will be made by the employer and employees will be notified at least one (1) week prior to said holiday. In the event the employer wishes to schedule said employee's holiday at a time other than stated above, the employee, with consent of the employer and consistent with efficient operations, will receive a day off immediately preceding or succeeding his regularly scheduled days off within the two (2) week period either before or after the holiday.

For those employees who regularly work on Saturday and/or Sunday, receiving two (2) consecutive days off during the week, the two (2) days off shall be treated as Saturday and Sunday, in that order, for the purpose of this Article.

22.4 SGS agrees that any holiday that is established during the term of this agreement by an act of Congress, or by proclamation of the President of the United States, shall be extended to the employees covered by this agreement, provided prior approval for payment of same has been received by the company.

ARTICLE 23 - CONTINUOUS SERVICE CREDIT

- 23.1 Acquisition of Continuous Service Credit.** Each employee shall have continuous service credit with the Company dating from the first date of his unbroken service.
- 23.2 Continuity of Service.** The continuous service credit and seniority of an employee will be broken under the following conditions, and when so broken such employee shall be for all purposes considered a new employee if and when rehired:
- 23.2.1** Resignation or other voluntary termination of employment.
 - 23.2.2** Discharge for just cause.
 - 23.2.3** Absence in excess of three (3) consecutive working days without notice, either by telephone or written message by messenger to his immediate supervisor, unless satisfactory evidence of inability to report is shown.
 - 23.2.4** Unauthorized absence beyond the time limit of an authorized vacation or an approved absence, unless satisfactory evidence of inability to report for work is shown.
 - 23.2.5** Failure to report to work after layoff within ten (10) working days after the Company gives the employee written notice to return to such work and failure to notify the Company of his intention to return to work within five (5) calendar days after such notice. Such notice shall be deemed to have been sufficiently given if sent to the employee by registered mail addressed to the last address furnished to the Personnel Department of the Company.
 - 23.2.6** Layoff without recall to work within twenty-four (24) months from the date of such layoff.

ARTICLE 24 - SENIORITY

24.1 Acquisition of Seniority. New employees shall be considered on probation and not entitled to seniority until they have acquired ninety (90) calendar days of continuous service credit. Upon completion of said period of employment, the employee shall be considered a regular employee, and his seniority shall date from the start of the probationary period, and when thus established, will equal the employee's continuous service credit. It is understood that during said ninety (90) day period, probationary employees, although covered under this Agreement, may be laid-off or terminated and that such action shall not be subject to the grievance and/or arbitration procedures herein.

24.2 Computation of Seniority. Employees shall accumulate seniority within their bargaining unit in the specific occupational classifications covered by this Agreement, as listed in Schedule A herein, during their period of continuous service with the Company. The Parties agree that employees will maintain separate seniority status within their occupational classifications.

An employee shall establish seniority in his current occupational classification after he has worked in such occupational classification for ninety (90) calendar days, and shall be credited with his total bargaining unit seniority thereafter.

When two (2) or more employees have the same seniority date as herein provided, the employee having the lowest social security number (last four {4} numbers of one's social security number) shall be considered as having the least seniority for tie-breaking purposes. This procedure shall apply in all determinations of seniority.

24.3 Termination of Seniority. The seniority of an employee shall be lost under the same conditions which cause a break in continuous service credit as set forth in Article 11 of this agreement, except that if at the time of layoff or recall, an eligible employee refuses to take a job in the same labor grade as the occupational classification in which he holds the seniority, he shall be deemed to have resigned from employment. If, at the time of layoff or recall, any eligible employee refuses to take a job in a lower grade than that of the occupational classification from which he was laid-off, he shall retain his rights to be recalled to that occupational classification.

24.4 Employees Transferred Out of The Bargaining Unit. An employee who has established seniority rights in an occupational classification within the bargaining unit, and who is subsequently transferred or promoted to a position not covered by this Agreement, shall be deemed to have retained seniority rights in accordance with the provisions of this Agreement for a period of eighteen (18) months from the date of such transfer or promotion. If, in the opinion of the Company, it becomes necessary or advisable to return him to a position within the bargaining unit, all seniority rights acquired before such transfer or promotion will be restored.

24.5 Layoff. When the Company determined that layoff is necessary in any specific occupational classification, probationary employees, as defined in Section 12.1 of this Article, in the occupational classifications affected shall be laid-off first. If further layoffs are necessary within a specific occupational classification, such layoffs shall be made by occupational classification seniority, provided the senior employees have the skill and ability to perform the work; the employees with the least bargaining unit seniority in such occupational classification shall be the first to be laid-off and the last to be recalled. An employee subject to layoff under the foregoing may exercise bumping rights in his bargaining unit as follows:

24.5.1 Displace the employee with the least bargaining unit seniority in lower-rated occupational classification, provided he has greater bargaining unit seniority than the employee being displaced, and is qualified to perform the work of the employee being displaced.

24.5.2 Displace and probationary employee in the bargaining unit, provided he has the skill and ability to perform the work.

Such employee must notify the Company in writing of his intention to exercise bumping rights within forty-eight (48) hours of the Company's layoff notice. An employee so displaced may similarly exercise his rights of displacing another employee in accordance with the same criteria, it being understood, however, that the initial and resultant "bumps" must occur simultaneously so that there will be no delay in the layoff procedure. No employee may "bump" another employee in a higher-graded occupational classification.

In cases of layoff, the Company will give not less than two (2) weeks notice of contemplated layoffs to the employees affected and to the Union. Where, however, such notice is not feasible, the Company will notify the employee and the union as promptly as possible and give, in lieu of said notice, up to two (2) weeks pay, not to exceed eighty (80) hours at the employee's straight-time hourly base rate.

24.6 Recall. For the purpose of reinstatement, all laid-off employees shall be recalled in the following order:

24.6.1 Laid-off employees who are classified in the specific occupational classification in which recalls are being made, in inverse order of layoff. A maximum of five (5) laid-off employees will be offered a recall for one vacancy at any given time. It is understood that the most senior of such employees who accepts re-employment within the time allowed will be reinstated. Those laid-off employees who are offered recall and who fail to make application for reinstatement for a position of equal labor grade to the one held at time of layoff within the time limit specified below will lose all recall rights.

24.6.2 Prior to hiring new employees, the Company will consider laid-off employees who it determines may be capable of performing the work. Notifications of openings for re-employment shall be given by the Company to the last mailing address furnished by the employee, by registered or certified mail. A copy of such notice shall also be sent to the Union. Within five (5) working days after such notice is given, the laid-off employee must advise the Company whether he accepts re-employment. If no reply is received by the Company within five (5) working days after a notice is sent, the next employee on the seniority list may be notified.

24.7 Shift Preference. When a vacancy exists on any shift, or in the formation of any new shift, preference in filling such vacancy shall be granted on a seniority basis, where consistent with efficient operations and due regard to the skill and ability of the employee. Stewards, where consistent with efficient operations, shall have shift preference over all employees in their respective occupational classifications.

Employees will be permitted to bid for shift assignment each calendar quarter.

24.8 Seniority Privileges for Union Representatives. As long as there is work available in their occupational classification, which they are able to perform, Union Stewards shall hold seniority over all employees in their respective jurisdiction. This Section shall only apply in cases of layoff, and these seniority privileges may be exercised only in an equivalent or lower-rated occupation to that held by the Union Steward at the time of layoff.

24.9 Seniority List. The Company shall supply the Union with a seniority list of the employees covered by this Agreement; such list shall be revised quarterly. A separate list shall be provided to the Union which will include Company Service Dates. This list will be provided on request.

24.10 Severance Pay. Employees on board at ratification who are laid-off in the bargaining unit shall receive severance pay based on the employee's length of service in the bargaining unit according to the following schedule:

<u>Length of Service</u>	<u>Lay-Off Pay</u>
6 Months but less than 1 Year	1 Week
1 Year to 2 Years	2 Weeks
2 Years to 3 Years	3 Weeks
3 Years to 4 Years	4 Weeks
4 Years to 5 Years	5 Weeks
5 Years to 6 Years	6 Weeks
6 Years to 7 Years	7 Weeks
7 Years to 8 Years	8 Weeks
8 Years to 9 Years	9 Weeks

<u>Length of Service</u>	<u>Lay-Off Pay</u>
9 Years to 10 Years	10 Weeks
10 Years to 11 Years	11 Weeks
11 Years to 12 Years	12 Weeks
12 Years to 13 Years	13 Weeks
13 Years to 14 Years	14 Weeks
14 Years to 15 Years	15 Weeks
15 Years to 16 Years	16 Weeks
16 Years to 17 Years	17 Weeks
17 Years and Over	18 Weeks

24.10.1 Anyone employed after June 2, 1985, and thereafter laid-off, shall receive severance pay in accordance with the following schedule:

<u>Length of Service</u>	<u>Lay-Off Pay</u>
1 year but less than 2 years	2 Weeks
2 years but less than 10 years	4 Weeks
10 years and thereafter	8 Weeks

24.10.2 Severance pay will not be paid in cases of:

- A. Lay-offs due to:
 - 1. An act of God,
 - 2. A national emergency,
 - 3. A strike or picketing causing a temporary cessation of work.
- B. Any form of termination resulting in the loss of seniority.

24.10.3 Severance pay shall be paid at the end of the waiting period of thirty (30) days from the date of such layoff. An employee who is recalled to employment with the Company during the period of time that he had received severance payment, shall have the difference deducted from his pay, in equal installments, during a period not to exceed nine (9) months. Example: An employee receives eighteen (18) weeks of severance pay who is recalled in ten (10) weeks, shall owe the Company eight (8) weeks of pay.

Employees will not be eligible for severance payment under this policy in the event the Company's contract with NASA is terminated in full or in part if the employee, within thirty (30) days after termination of his employment or completion of his contract, whichever date is the later, is employed by or accepts employment, or enters into an agreement for subsequent employment with a succeeding contractor under a follow-on contract in a position requiring the same, similar, or greater responsibility or skill. Any employee hired by a successor contractor after the thirty (30) day waiting period shall be entitled to severance pay as stated above.

ARTICLE 25 - PROMOTIONS

- 25.1 Promotional Policy.** Before employees are hired from the outside to fill vacancies in all occupational classifications other than entry occupational classifications, it is the intention of the Company to promote from within the bargaining unit if available employees have the skill and ability necessary to do the work as determined by the Company. In such instance, performance and seniority shall be factors. The Union will be advised at least one (1) week in advance of such promotions becoming effective. It is understood that the Company will make a final determination relative to promotions, and it is understood that there is no automatic promotion from one occupational classification to another.
- 25.2 Promotional Wage Adjustments.** In the event that an employee is promoted to a higher-rated occupational classification by the Company, he shall receive: 1) The wage rate next higher than his rate before the change in the progression schedule of the new occupational classification, or 2) The minimum wage rate for the new occupational classification, whichever is higher. In such event, the eligibility date for any subsequent progression increase shall be computed from the effective date of such promotion increase.

ARTICLE 26 - VACATIONS

26.1 Vacation Policy. It is the policy of the Company to grant a vacation to employees as herein provided. Vacations will, so far as possible, be granted at times most desired by employees. When the schedule of vacations of employees in the same occupational classification would hamper efficient operations, the choice of vacation time shall be determined by seniority within the classification. However, the Company reserves the right to schedule vacation time in order to ensure orderly and efficient operations.

26.2 Vacation Credit Allowance. Vacation credits will be awarded on a monthly basis. The amount of vacation credits awarded will be calculated at one-twelfth (1/12) of each employee's annual accrual and will be credited to the employee's vacation account on the 15th day of each month, provided, the employee is on the active payroll and in a pay status.

26.2.1 All employees shall earn, accrue and have credited vacation for each month of active service in accordance with the following schedule:

<u>YEARS OF SERVICE</u>	<u>MAXIMUM ANNUAL VACATION</u>
1 to 5 Years	10 Days
6 Years	11 Days
7 Years	12 Days
8 Years	13 Days
9 Years	14 Days
10 Years	15 Days
11 Years	16 Days
20 or more Years	23 Days

New hire employees will accumulate and earn vacation credits during their probationary period, however, they may not use these credits until they finish probation.

26.3 Use of Vacation Credits. Employees may use vacation credits as soon as they are awarded, provided work requirements are such that supervision can approve time off. Vacation must be scheduled twenty-four (24) hours in advance unless it is an emergency situation. The supervisor may waive the requirement for twenty-four (24) hour notice in an emergency situation and grant approval.

26.4 Previously Awarded Vacation Credits. Previously awarded vacation credits which remain unused on the 31st of December may be carried over to the next calendar year per the schedule listed below. No employee shall take more than four (4) weeks vacation at any one time unless permission is granted in writing, by the department manager. Any unused credits in excess of this maximum carryover will be lost to the employee.

VACATION CARRYOVER

<u>Years of Service</u>	<u>Maximum Annual Carryover</u>
1 to 5 Years	15 Days
6 Years	16 Days
7 Years	17 Days
8 Years	18 Days
9 Years	19 Days
10 Years	20 Days
20 or more Years	26 Days

26.5 Rules Governing Vacation.

26.5.1 Vacations are to be used in units of one (1) or more hours. In cases where sick leave credits are exhausted, a partial day of absence due to illness may be charged against unused vacation credits in increments of no less than one (1) hour, not to exceed eight (8) hours.

26.5.2 An employee shall receive vacation pay at the straight-time hourly rate in effect for his job classification at the time his vacation begins.

26.5.3 Paid holidays occurring during an employee's vacation shall not be counted as part of his vacation time.

26.5.4 Any employee who makes prior proper request for vacation pay, to the Company, on a form furnished by the Company, will receive his vacation pay on his first scheduled work day prior to the beginning of his vacation. Such request must be submitted at least two (2) weeks prior to the date of such payment.

26.5.5 In an effort to equitably meet employee's requests for vacation time off and in order to become compatible with efficient operations, all employees will, on or before December 1 of each year, submit their vacation preferences in writing for the following year. Employees shall have the right to change their vacation times throughout the year, however, if a junior employee has already been granted a specific time for vacation, he shall not be bumped from this time.

26.5.6 There will be no pay in lieu of time off for vacation. The intent of this provision is to cause each employee to use the vacation credits awarded for time off.

26.6 Termination. Earned, accrued, and awarded vacation is the property of the employee and shall be paid to him upon termination in an amount equivalent to his straight-time hourly rate.

ARTICLE 27
GROUP INSURANCE

Effective April 1, 2006, all employees who are covered under this Agreement shall be provided with Health Insurance in accordance with the SGS Plan. Such Plan may be modified during the term of this agreement, however, the employee co-payments shall not exceed fifty-two dollars \$52/single or seventy-eight dollars \$78/family per bi-weekly pay period.

ARTICLE 28
UNION REPRESENTATIVES

- 28.1 Designation of Stewards.** The number of stewards and chief stewards to be recognized by the Company shall be determined by mutual agreement of the Parties and before a change to the number of stewards previously agreed upon can occur, a meeting between the Company's Labor Relations Manager, or his designee, and the Union's Business Manager, shall be held. No unilateral change may be made to the number of stewards to be so recognized. The stewards shall be employees of the Company and shall be appointed by the Union. The Union will provide the Company with a list in writing of the names of the accredited stewards and their assigned areas of responsibility on a current basis.
- 28.2 Scope of Steward's Union Activities.** The steward's union activities on company time shall fall within the scope of the following functions:
- 28.2.1** To consult with an employee regarding the presentation of a request, complaint, or grievance which the employee desires him to present.
- 28.2.2** To investigate a complaint or grievance of record before presentation to the appropriate supervisor.
- 28.2.3** To present a request, complaint, or grievance to an employee's immediate supervisor in an attempt to settle the matter for the employee or group of employees who may be similarly affected.
- 28.2.4** To meet by appointment with an appropriate manager or other designated representative of the Company, when necessary, to adjust grievances in accordance with the grievance procedure of this Agreement. The Company and the Union are in agreement that the minimum amount of time should be spent in the performance of these duties.
- 28.3 Scope of Union Representatives' Activities.** Subject to existing security regulation, the Business Manager or other authorized representative of the Union shall have access to the Company's work areas during working hours for the purpose of investigating grievances, complaints, or matters arising out of the application of this Agreement and for the purpose of attending meetings in accordance with the grievance procedure. He shall obtain from the Company authorization for each visit, and such visit shall be subject to such regulations as may be made from time to time by the Company. The Company will not impose regulations which will exclude such representatives from the work areas nor render ineffective the intent of this provision.

- 28.4 Introduction of Employees.** New or transferred employees who are employed in occupations covered by this agreement shall be introduced to the Union steward in the activity to which such employees will be permanently assigned as soon as possible, but not later than two (2) weeks following such assignment. The sole function of the steward under this section is to explain his responsibilities under this labor agreement.
- 28.5 Permission to Leave Work for Union Activities.** When a steward is required to leave his regular duties for the orderly and expeditious handling of a grievance, complaint, or other recognized Company-Union business, the procedure outlined below will be followed:
- 28.5.1** The steward will notify his supervisor whenever he must leave his assigned job. If necessary, a steward shall remain on his regular job until a reasonable time is afforded to provide a substitute in his place.
- 28.5.2** After securing permission to leave his area, the steward will obtain from his supervisor and complete an intrabase pass indicating the time out, his name, the reasons for leaving, his destination, and the individual(s) to be contacted.
- 28.5.3** When entering the area of another supervisor's responsibility, he will contact the supervisor before attempting to contact an employee.
- 28.5.4** After completing the business for which approval to leave had been obtained, the steward will return his pass to his supervisor, and resume his regularly assigned duties.

ARTICLE 29 - GENERAL PROVISIONS

- 29.1 Complete Agreement.** The Parties hereby acknowledge and affirm that during the negotiations which led to this Agreement, each of them had the unlimited right and opportunity to formulate demands and proposals with respect to all subjects or matters not excluded by law from the collective bargaining area and that all decisions and covenants reached by them through the use of such rights and opportunities appear in this Agreement.

Therefore, it is agreed that the items herein set forth contain the complete agreement between the Parties for the term of this Agreement. However, the Parties further agree that this Agreement may be amended by the mutual consent of both Parties in writing during its term.

The right to present any demands or proposals on any matters, whether or not discussed during the negotiations which led to this Agreement, except as otherwise provided in this Agreement, is hereby waived by the Company and the Union for the term of this Agreement.

- 29.2 Legality of Provisions.** Should any provision or provisions of this Agreement, or any application thereof, become unlawful by virtue of any federal or state law, or by final adjudication of any court of competent jurisdiction, the provision or application of a provision of this Agreement shall be modified in compliance with the law, order, or final adjudication, but in all other respects the provisions of this Agreement shall continue in full force and effect for the life thereof.
- 29.3 Successors.** This Agreement shall be binding upon, and shall inure to the benefit of the Parties hereto, their successors and assigns.
- 29.4 Training.** Bargaining unit employees will be given necessary training to qualify them for work due to technological changes providing they have the basic requisite education and experience. Such training will be given on the basis of seniority preference within the affected job classification.
- 29.5 Interpretations.** Only the Company's Manager of Labor Relations and the Union's Business Manager, hereafter, "the parties" may interpret, alter or amend this agreement by mutual action in writing and no individual employee or group(s) of employees shall have cause to complain. Therefore, it being understood that any interpretation or arrangement mutually satisfactory to the parties hereto shall be binding upon all individual employees, or group(s) of employees, whether such action be prospective or retroactive.
- 29.6 Modifications and Amendments.** Any modification or amendment of this Agreement, voluntarily agreed to and reduced to writing, signed by the Company's Manager of Labor Relations and the Business Manager of the Union shall be binding on both the Company and the Union and any employee affected thereby.

ARTICLE 30
SAVINGS PLAN

All employees covered under this Agreement shall be eligible to participate in the Company sponsored 401(K) savings plan. Employees will be permitted to contribute up to sixteen percent (16%) of their salary. The Company will match the first six percent (6%) employee contribution at fifty-five cents (\$.55) on each dollar.

ARTICLE 31
RETIREMENT

It is agreed that in accord with the Employees Benefit Agreement of the National Electrical Benefit Fund (NEBF) as entered into between the National Electrical Contractors Association and the International Brotherhood of Electrical Workers on September 3, 1946, as amended, and now delineated as the Restated Employee Benefit Agreement and Trust that unless authorized otherwise by NEBF the individual employer will forward monthly to the NEBF's designated local collection agent an amount equal to three percent (3%) of the gross monthly labor payroll paid to, or accrued by, the employees in this bargaining unit, and a completed payroll report prescribed by the NEBF.

The payment shall be made by check or draft and shall constitute a debt due and owing to the NEBF on the last day of each calendar month, which may be recovered by suit initiated by the NEBF or its assignee. The payment and the payroll report shall be mailed to reach the office of the appropriate local collection agent not later than fifteen (15) calendar days following the end of each month.

The individual employer hereby accepts and agrees to be bound by the Restated Employees Benefit Agreement and Trust. An individual employer who fails to remit as provided above shall be additionally subject to having this agreement terminated upon seventy-two (72) hours notice in writing being served by the Union, provided the individual employer fails to show satisfactory proof that the required payments have been paid to the appropriate local collection agent.

The failure of an individual employer to comply with the applicable provisions of the Restated Employees Benefit Agreement and Trust shall also constitute a breach of this labor agreement.

Remit to:

North Florida Employee Benefit Board #11
4951 – A Richard Street
Jacksonville, FL 32207

ARTICLE 32 -SAVINGS AND SEPARABILITY

It is not the intention of either SGS or any of the unions to violate any law or legally enforceable regulation by the subject matter or enforcement of this agreement. The parties agree that, in the event any provisions of the agreement are finally held to be illegal or void as in contravention of any applicable law, the remainder of the agreement shall remain in full force and effect. The employer and the union agree further that, if and when any or all provisions of this agreement are finally held to be illegal or void, the parties will enter into negotiations promptly concerning the subjects affected by such decision for the purpose of achieving conformity with the terms of the applicable law and intent of the parties of this agreement.

ARTICLE 33 - DURATION

- 33.1** This agreement dated April 16, 2006 shall continue in full force and effect without change until 11:59 p.m. on April 15, 2009. If either party desires to terminate or modify this agreement, it shall, sixty (60) days prior to April 15, 2009, provide written notice of termination or intent to seek modification. If neither party provides notice to terminate or modify this agreement as provided above, the agreement shall continue in full force and effect from year to year thereafter, subject to termination or modification by either party on sixty (60) days written notice prior to April 15 of any subsequent year.
- 33.2** SGS will provide notice to the Union if the JBOSC contract is cancelled or SGS is relieved of duty under the JBOSC contract and will be prepared to negotiate with the union with respect to any transitional arrangements that may be appropriate to the circumstances.

SIGNATURES OF THE PARTIES

IN WITNESS WHEREOF, the Company and the Union have caused this Agreement to be signed by their duly authorized representatives.

FOR:

International Brotherhood
of Electrical Workers,
Local 2088

FOR:

Space Gateway Support

N. Harry Judah
Business Manager

William A. Sample
President

Jerry Hall
Committee Member

Daniel L. Nettuno
Director, Human Resources

Johnny L. Wood
Manager, Labor Relations

SCHEDULE A

HOURLY WAGE RATES

<u>Occupational Classification</u>	<u>Current Rate</u>	<u>10/01/06</u>	<u>10/01/07</u>	<u>10/01/08</u>
Electronic Specialist	\$25.75	\$26.62	\$27.52	\$28.45

New hire employees shall be hired at a rate which is one dollar (\$1.00) less than the target rate. They will receive an automatic rate progression of fifty cents (\$.50) each February 1 and August 1 until they reach the top of the rate range or such lesser amount as necessary to bring the employee to the maximum rate for his classification.

April 16, 2006

ADMINISTRATIVE LETTER NO. 1

Mr. Harry Judah
Business Manager
International Brotherhood of Electrical Workers
2425 N. Courtenay Pkwy, Suite 3
Merritt Island, Florida 32953

In accordance with our discussion during negotiations:

1. The Company will, during the life of this Agreement, require all employees to meet the physical standards of continued employment as required by the Company.
2. Those employees who require certification or licensing by the Company and by NASA regulations, for such items as Government Drivers License, Visual Acuity and Soldering abilities will be expected to meet such requirements will result in the employee's job assignment being changed, and may, where necessary, result in his termination.
3. From time to time employees shall be required by the Company to undergo medical or psychological examination. If an employee is found incapable of performing his assigned work functions, the Company will furnish the employee with a copy of the examination report. In the event the findings of said examination results in involuntary separation from the payroll, the Union then may take such findings through the regular grievance channels including arbitration, but such grievances must be supported by substantial medical and expert testimony which is contrary to the Company's findings. The Company shall not apply this paragraph in an arbitrary nor discriminatory manner.

Where any such action is necessary, the Company will advise the Union accordingly.

It is understood and agreed that this letter be effective only for the duration of the present Collective Bargaining Agreement existing between the Parties, unless terminated at an earlier date by mutual consent of the said Parties.

ADMINISTRATIVE LETTER NO. 1
Page 2 of 2

If the foregoing correctly expresses your understanding of our agreement concerning this subject, please sign and send the original to the undersigned.

ACCEPTED AND AGREED TO:

Johnny L. Wood
Manager, Labor Relations

Date

N. Harry Judah
Business Manager
IBEW, Local No. 2088

Date

April 16, 2006

ADMINISTRATIVE LETTER NO. 2

Mr. Harry Judah
Business Manager
International Brotherhood of Electrical Workers
2425 N. Courtenay Pkwy, Suite 3
Merritt Island, Florida 32953

The purpose of this letter is to state the parties' agreement concerning the rotation of shifts for training.

Occasionally, it may be necessary to change an employee's shift for the purpose of refamiliarization. This will only be done a maximum of once each six months and will be for a period of one week or less. We will notify the Union prior to implementing any shift changes.

If the foregoing correctly expresses your understanding of our agreement concerning this subject, please sign and send the original to the undersigned.

ACCEPTED AND AGREED TO:

Johnny L. Wood
Manager, Labor Relations

N. Harry Judah
Business Manager
IBEW, Local 2088

Date

Date

April 16, 2006

ADMINISTRATIVE LETTER NO. 3

Mr. Harry Judah
Business Manager
International Brotherhood of Electrical Workers
2425 N. Courtenay Pkwy, Suite 3
Merritt Island, Florida 32953

The purpose of this letter is to state the parties' agreement concerning technological changes.

The Company will advise the Union of any proposed technological changes prior to the time of the final decision. The Company will promptly meet with the Union to negotiate the effects of the proposed technological changes. Notification to the Union will include the following information.

1. Nature of change.
2. Names, departments and classifications of affected employees.
3. Staffing and job content consequences of the change.
4. Date of change.
5. Reasons for the change.

During the term of this agreement, no member of the bargaining unit shall be laid off or downgraded as the direct or indirect result of technological change except as stated in Paragraph 5. Any reduction in the work force made necessary by technological change shall be accomplished by attrition.

The Company shall establish, at its own expense, an adequate retraining program for affected employees. During the training period, the employee shall be paid at the established rate of pay for the job classification held prior to entering the training program.

The Company agrees to use every possible avenue to preclude layoff or a reduction in rate or seniority solely because of the introduction by the Company of technological changes. An excess employee who refuses to accept another position for which he/she is qualified may be terminated from the Company and shall be eligible for severance pay as provided in Article 12, Section 12.10.

ADMINISTRATIVE LETTER NO. 3
Page 2 of 2

If any new jobs are added due to technological changes, then they will be assigned to bargaining unit employees.

If the foregoing correctly expresses your understanding of our agreement concerning this subject, please sign and send the original to the undersigned.

ACCEPTED AND AGREED TO:

Johnny L. Wood
Manager, Labor Relations

N. Harry Judah
Business Manager
IBEW, Local 2088

Date

Date

April 16, 2006

ADMINISTRATIVE LETTER NO. 4

Mr. Harry Judah
Business Manager
International Brotherhood of Electrical Workers
2425 N. Courtenay Pkwy, Suite 3
Merritt Island, Florida 32953

The purpose of this letter is to state the parties' position concerning voluntary layoffs.

If the Company determines it necessary to have a layoff in classifications covered under this agreement, and the Company allows employees to volunteer for layoff in other areas, then employees in this unit will be offered the same opportunity. However, if an employee elects to take a layoff out of seniority then it is understood that he shall forfeit all return rights as specified in the collective bargaining agreement.

If the foregoing correctly expresses your understanding of our agreement concerning this subject, please sign and send the original to the undersigned.

ACCEPTED AND AGREED TO:

Johnny L. Wood
Manager, Labor Relations

N. Harry Judah
Business Manager
IBEW, Local 2088

Date

Date

April 16, 2006

ADMINISTRATIVE LETTER NO. 5

Mr. Harry Judah
Business Manager
International Brotherhood of Electrical Workers
2425 N. Courtenay Pkwy, Suite 3
Merritt Island, Florida 32953

The purpose of this letter is to state the parties' position concerning the Family and Medical Leave Act (FMLA) which was enacted into law, effective August 5, 1993.

The parties agree that, effective February 5, 1994, all employees represented by the International Brotherhood of Electrical Workers shall be eligible for leave under the FMLA.

If the foregoing correctly expresses your understanding of our agreement concerning this subject, please sign and send the original to the undersigned.

ACCEPTED AND AGREED TO:

Johnny L. Wood
Manager, Labor Relations

N. Harry Judah
Business Manager
IBEW, Local 2088

Date

Date

April 16, 2006

ADMINISTRATIVE LETTER NO. 6

Harry Judah
Business Manager
International Brotherhood of Electrical Workers
2425 N. Courtenay Pkwy, Suite 3
Merritt Island, Florida 32953

The purpose of this letter is to modify Article 15 to establish a 4-day work week.

The parties agree that certain employees will be allowed to participate in a work schedule other than the traditional five (5) day, forty (40) hour work week. This optional work schedule will be four (4) ten (10) hour days. This will be offered to employees where management determines that work requirements will permit this option. Participation will be voluntary.

For employees electing to participate in the four (4) ten (10) hour work schedule, Article 21 will be modified as follows:

21.2.3 For hours worked on the employee's first and second regularly scheduled day off, time and one-half (1 ½) the employee's working hourly rate of pay shall be paid.

21.2.4 Double time shall be paid for all hours worked on the employee's third regularly scheduled day off.

Employees that participate in the four (4) ten (10) hour day work week will recognize holidays in increments of eight (8) hours per holiday. Employees that terminate, for any reason, will lose any remaining holiday hours not used in that year. Employees will be required to use vacation hours, or if vacation hours are exhausted, then leave without pay (LWOP) to fill any shortage of hours needed for each holiday. Example: 8 hours holiday plus 2 hours vacation = 10 hours pay for that day.

Employees will be allowed to change to a 5-8 work week during the Christmas/New Year holiday period.

Employees electing to take a full shift of vacation or sick leave while working the four (4) ten (10) hours for each vacation or sick day used will be required to charge ten (10) hours for each vacation or sick day used. Partial amounts will be allowed per the collective bargaining agreement.

Article 15.7 (Odd Work Week) shall not apply to this agreement.

It is understood that this is a trial program and may be terminated by either party with a thirty (30) day notice in writing.

If the foregoing correctly expresses your understanding of our agreement concerning this subject, please sign and send the original to the undersigned.

ACCEPTED AND AGREED TO:

Johnny L. Wood
Manager, Labor Relations

N. Harry Judah
Business Manager
IBEW, Local 2088

Date

Date